

TCW VALUE OPPORTUNITIES
DOMESTIC EQUITY: RUSSELL MIDCAP VALUE BENCHMARK

FOR THE MONTH OF: **SEPTEMBER** **2008**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
TCW	-11.12%	-11.91%	-19.21%	0.50%	n/a
Russell Midcap Value	-9.05%	-7.52%	-20.50%	0.51%	—
Russell 3000	-9.40%	-8.74%	-21.55%	0.26%	—

PORTFOLIO ATTRIBUTES

<u>Characteristics</u>	<u>TCW</u>	<u>RU Mid</u>	<u>Sector Analysis</u>		
Mkt Value (\$m)	188.40	N/A	<u>Over-weight</u>	<u>TCW</u>	<u>RU Mid</u>
Wtd Cap (\$b)	5.29	6.49	Health Care	16.94%	6.49%
P/E	12.02	11.20	Info Tech	16.51%	6.17%
Beta	1.01	1.00	Industrials	10.17%	7.55%
Yield (%)	1.35	2.77			
Earnings Growth	12.43	4.46	<u>Under-weight</u>	<u>TCW</u>	<u>RU Mid</u>
			Utilities	1.26%	12.32%
			Financials	21.78%	32.39%
			Consumer Sta]	2.08%	7.75%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Health care, utilities and consumer discretionary stocks enhanced performance while industrials, information technology and financials were the primary sectors that detracted. People's United Financial, Inc., a Connecticut-based commercial bank, and Arch Capital Group Ltd., a Bermuda-based insurer and re-insurer, were the best performers in September in part due to their high-quality, well-capitalized balance sheets. Homebuilders, Lennar and Toll Brothers, also moved higher as house price declines decelerated. Energy, material and industrial stocks such as Weatherford, SPX and Hexcel were particularly weak as concerns mounted over global economic recession.

MANAGER STYLE SUMMARY

TCW is a "bottom-up" manager, implementing a "Value Opportunities" investment strategy, which seeks to add value by investing in small- and medium-capitalization companies that are currently undervalued. The key to their strategy is to identify the basis for the undervaluation and the related catalyst which will result in a realization of true company value. The portfolio will tend to hold a minimum of 45 securities and exhibit low P/E and P/B ratios.

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PORTFOLIO GUIDELINE COMPLIANCE

SEPTEMBER

2008

Portfolio Guideline:	TCW	RU Mid	Min	Max	Compliance
B2. Security Market Cap (in \$m) > \$100 m @ purchase					ok
B3. Security Positions <= 20% @ purchase					ok
B4. Number of issues	56		45	200	ok
B5. Portfolio Characteristics					
Capitalization (in \$B)	5.2		\$1.0	\$4.5	check
P/B	1.85	1.47	1.8	3.3	ok
P/E (IBES Projected)	12.02	11.20	9.1	26.0	ok
Dividend Yield	1.35	2.77	0.6	1.3	check
Earnings Growth	12.43	4.46	3.9	15.7	ok
F2. Commissions not to exceed \$0.05/share (or semi-annual explanation required)					ok
F3. Annual Turnover	118%			140%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B5. Capitalization: Typically TCW Value Opportunities runs a bit higher due to some larger capitalization companies.

T/O computation not relevant since portfolio commenced 6/07/04.

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	2	Total Market Value (\$m):	\$	63.0
	Reason(s):	Reduce their number of active equity managers.			